

Resolution 830 Working Group Meeting #1

1/10/18

Agenda

- 1) Welcome and Introductions
- 2) Why are We Here?
- 3) Setting the Context
- 4) Facilitated Discussion
- 5) Open Forum
- 6) Next Steps + Upcoming Meetings

Why are We Here?

Review, Update and Modernize Resolution 830 for Current Reality

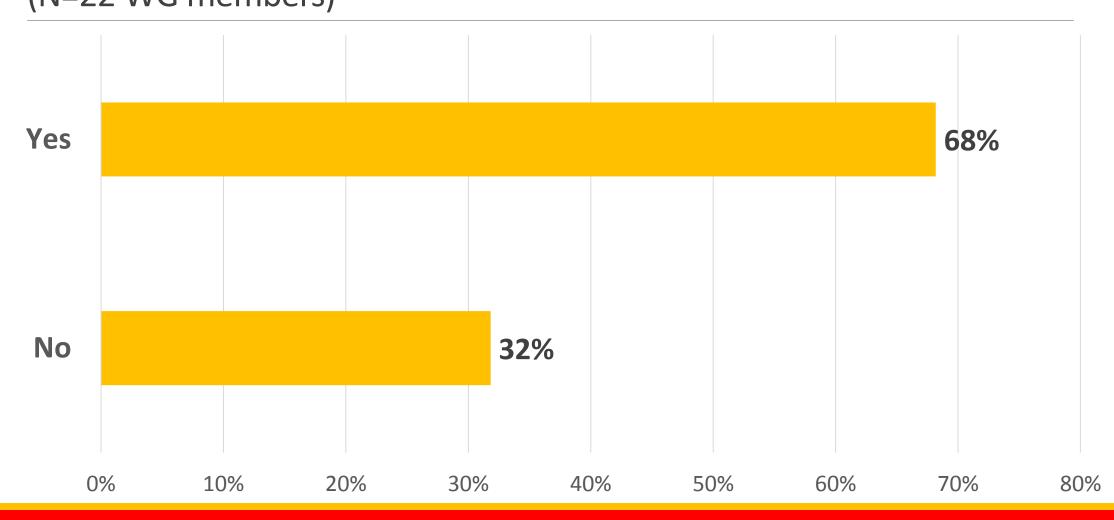
Working Group Membership

Meeting Ground Rules

- Treat each other with respect.
- ➤Only one person speaks at a time.
- ➤ Give everyone a chance to participate equally; avoid dominating.
- Listen as an ally, not an adversary. Everyone should feel comfortable expressing their opinion regardless of differences.
- >Ask for clarification, don't assume you know what someone means.
- >Do not characterize other people's views in or outside a group's meetings.
- >Turn off or silence all cell phones and mobile devices.

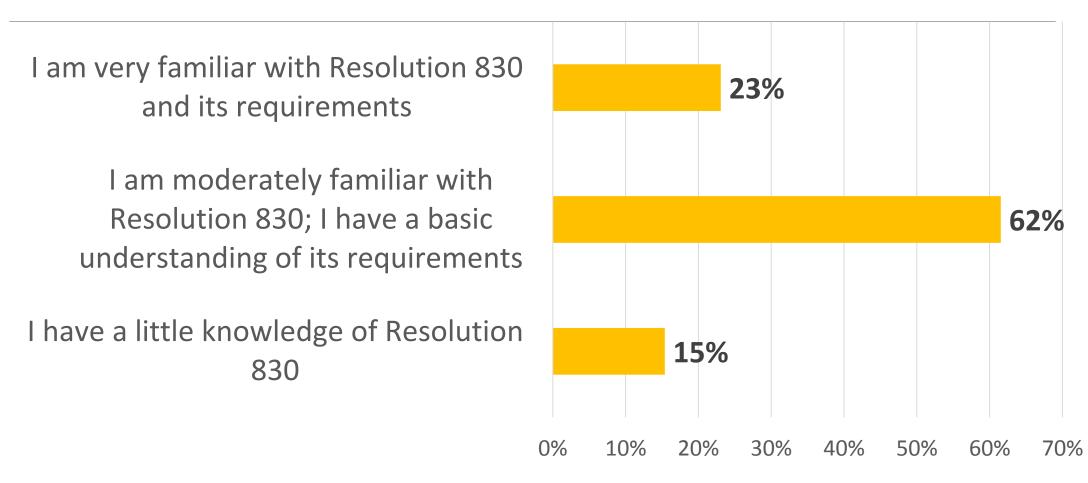
Survey Results

Q1: Had you heard about Resolution 830 before being invited to participate in this process? (N=22 WG members)



Q2: How knowledgeable are you about Resolution 830 and its requirements?

(N=13 WG members who have heard about Res 830)



Current State of Public and Affordable Housing

Household Needs

# of Low-Income Households (<= 80% AMI)		Regionally ¹ (VA, DC, MD)	Alexandria ²
Total # of Households	15,891,000	699,000	21,990
No Assistance	10,841,000	471,000	18,433
W / Assistance	5,050,000	228,000	3,557

^{1. &}lt;a href="https://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data">https://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data - August 9, 2017

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^{2.} City of Alexandria Housing Department – September 2017

Households Served via HUD Programs

Program	Nationally ¹	Regionally ¹ (VA, DC, MD)	Alexandria *2
Housing Choice Vouchers	45.89%	47.44%	44.56%
Public Housing	21.11%	17.02%	21.62%
Project-Based Vouchers	24.32%	27.64%	33.82%
202/811 (Elderly/ Disabled)	3.19%	3.50%	0.00%
USDA (Rural)	5.49%	4.40%	0.00%

^{*} Percentage reflects current total leased and vacant units in PH and PBV plus actual HCV families served

^{1. &}lt;a href="https://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data">https://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data - August 9, 2017

^{2.} City of Alexandria Housing Department – September 2017; ARHA January 2018

ARHA Wait List

9,121 Families

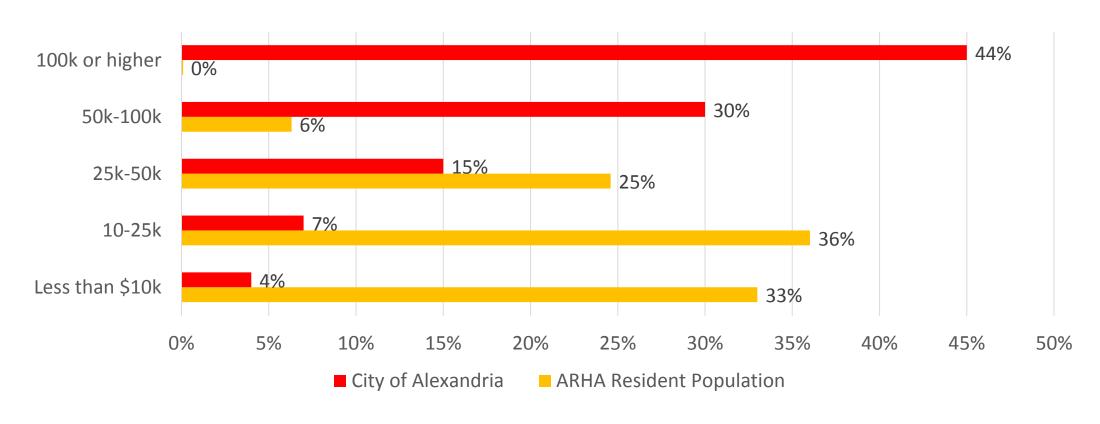
Source: ARHA: January 2018 (includes Public housing, Housing Choice Voucher (HCV), Low Income Housing Tax Credit (LIHTC) and other properties)

Demographic Profile – ARHA Households

- ≥2017 HUD Area Median Income for a 2 Person Family = \$88,300
- ➤ Public Housing serves households earning up to 80% AMI 2 Person Family max income = \$60,050
- ➤ Low Income Housing Tax Credit (LIHTC) serves households earning up to 60% AMI
 - 2 Person Family max income = \$53,000
- ➤ Section 8 (HCV, PBV) serves households earning up to 50% AMI 2 Person Family max income = \$44,150

HUD 2017 AMI: https://www.huduser.gov/portal/datasets/il/il2017/2017summary.odn - January 9, 2018

Household Income Distribution



Source: ARHA 1/9/18 Resident Data; American Community Survey (ACS) 5-year estimates, 2011-2016

National Housing Trends

Operating Fund Decreasing

Capital Fund Decreasing

Section 8 funding
Mostly level
(TBV, PBV, PBRA)

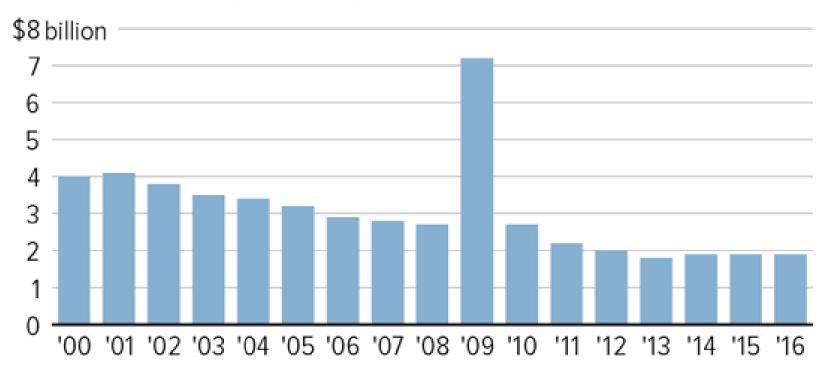
Number of Public Housing units

Decreasing

Public Housing Funding Has Fallen Far Behind Need

Funding for repairs has fallen 53 percent since 2000...

Budget authority, in billions of 2016 dollars



Center on Budget and Policy Priorities April 2016: https://www.cbpp.org/research/housing/chart-book-cuts-in-federal-assistance-have-exacerbated-families-struggles-to-afford#section02-

Section 8 (TBRA, PBRA, PBV)

- ➤In nine of the past ten years Congress has provided relatively stable housing voucher renewal funding (HAP)
 - In 2013, sequestration cuts were implemented for tenant based HCV
 - Is not true of administrative fees, which have seen a steady decrease
- Funding has been mostly restored to pre-sequestration levels and new voucher set-asides for specific populations (ex: Veterans) have resulted in nearly all vouchers being restored
- ➤ However, rent costs in most jurisdictions have risen and the funding levels support fewer voucher users

Center on Budget and Policy Priorities January 2017: https://www.cbpp.org/research/housing/substantial-funding-boost-needed-to-renew-housing-vouchers-in-2017

Housing Agencies Have Reversed Sequestration Cuts in Housing Vouchers

Number of families using housing vouchers



Note: Figures exclude an estimated 58,000 new "tenant protection" vouchers issued to families since December 2012 because the tenants' existing federally-assisted housing, such as public housing units, had been demolished or otherwise eliminated. The replacement support did not represent a net gain in families assisted. Sequestration refers to the across-the-board funding cuts that were implemented in March 2013 in accord with the Budget Control Act of 2011.

Source: CBPP analysis of Department of Housing and Urban Development data

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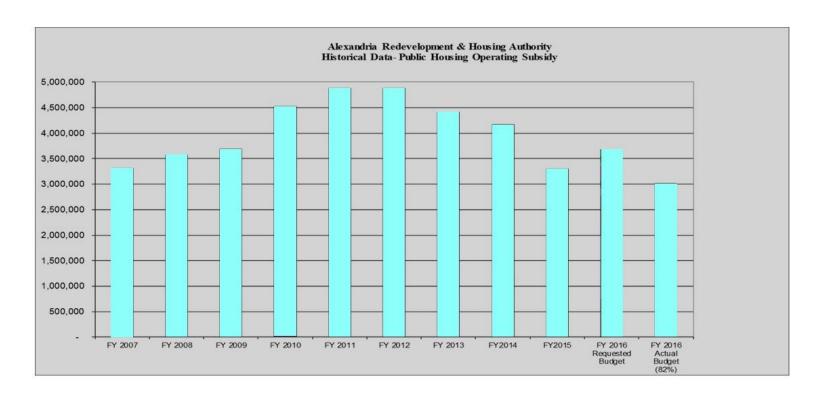
Center on Budget and Policy Priorities December 2016: https://www.cbpp.org/blog/more-than-100000-families-could-be-frozen-out-of-bousing-vouchers-for-2017

Number of Public Housing Units Decreasing

- >HUD estimates that between 1990 and 2010, 300,000 units of affordable public housing were lost, primarily due to lack of investment in capital repairs
 - Continued chronic underfunding of capital repairs results in approximately 10,000-12,000 units lost on an annual basis
 - PHAs are demolishing with HUD approval (demolition, disposition, and conversion)
 - Congress has not always required 1 for 1 replacement (HOPE VI) and has not appropriated funds for new replacement units
- >HUD has been actively pursuing demolition/ disposition activities as a "management strategy"

Congressional Research Services January 2014 – Introduction to Public Housing: https://fas.org/sgp/crs/misc/R41654.pdf

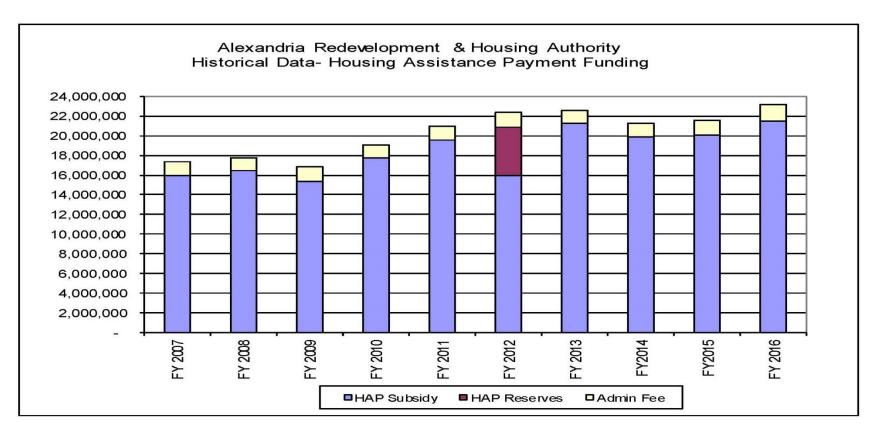
ARHA Trends – Public Housing Funding



ARHA November 2016:

https://www.alexandriava.gov/uploadedFiles/housing/info/Redevelopment%20Work%20Group%20Presentation%2011102016%20FINAL.pdf

ARHA Trends – HCV Funding



ARHA November 2016:

https://www.alexandriava.gov/uploadedFiles/housing/info/Redevelopment%20Work%20Group%20Presentation%2011102016%20FINAL.pdf

Local Trends

- ➤ Alexandria lost 90% of market rate affordable units between 2000 and 2017 ¹
 - From 18,217 to 1,749 apartments (~ 454 studios, 699 1BR, 472 2BR and 122 3BR)
- ➤ Since 2000 ²:
 - The average median income in Alexandria has risen 33%
 - The average rent of a studio went up 87%, 1BR went up 94%, 2BR went up 95%, 3BR went up 85%
- Approximately 2/3 of all households at or below 80% AMI are rent-burdened, paying more than 30% of their income for housing ³
- 1. City of Alexandria 2000-2017 Survey of Market Affordable Rental Units
- 2. HUD Office of Housing 2000-2017
- 3. Census.gov 2011 2015 American Community Survey 5 Year Estimates Alexandria 2017 Market Affordable Report June 2017:

https://www.alexandriava.gov/uploadedFiles/housing/info/2017MarketAffordableReport UpdatedJune2017.pdf

Future of Public Housing

Public Housing

➤ Voluntary Conversion

- Removal of developments from public housing and converting to tenantbased or project-based vouchers; may only be undertaken only where it would be beneficial to the residents and the surrounding area, and would not have an adverse impact on the availability of affordable housing in the area
- > Section 18
 - For units that are obsolete with no ability to rehab
 - HUD encourages PHAs to consider alternatives such as RAD, Choice, mixed finance rehab, CFFP, and voluntary conversion before Section 18

HUD Office of Public and Indian Housing January 2018: https://www.hud.gov/program_offices/public_indian_housing/centers/sac

Public Housing

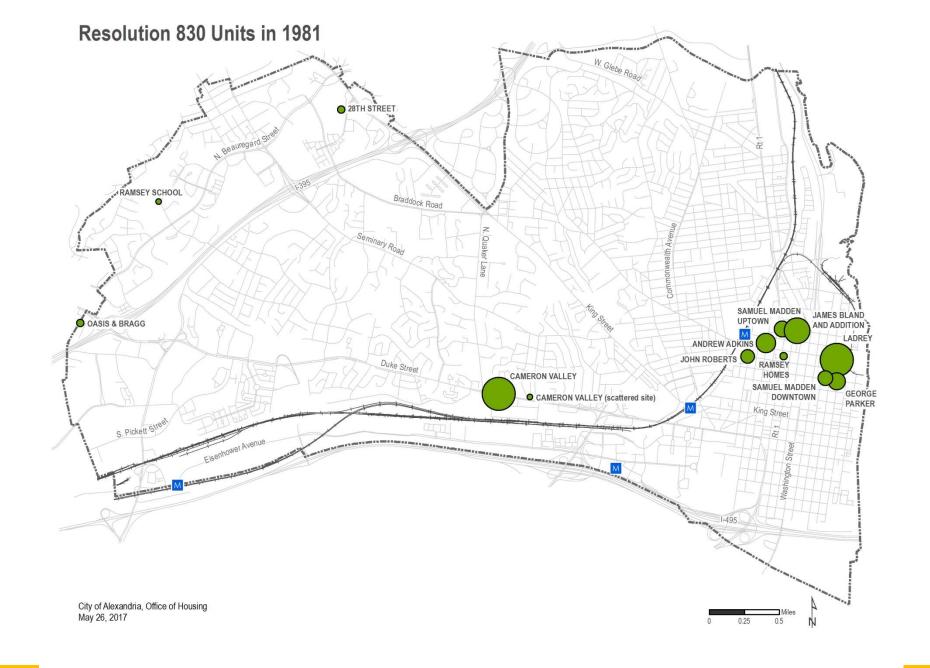
- ➤ Rental Assistance Demonstration (RAD)
 - In 2012, Congress authorized the Rental Assistance Demonstration (RAD) to test a new way of meeting the large and growing capital improvement needs of the nation's aging public housing stock, and to preserve projects funded under HUD's "legacy" programs.
 - Nearly 74,000 PH units have been converted.
 - Project cap: 225,000 (fully obligated); 48,000 on the waiting list.
 - Has support from current administration and HUD leadership, though there has not been any significant action to raise or remove the cap.
 - Used by PHAs to develop/ redevelop current public housing through a mixed income model; does not work for all PHAs due to financing

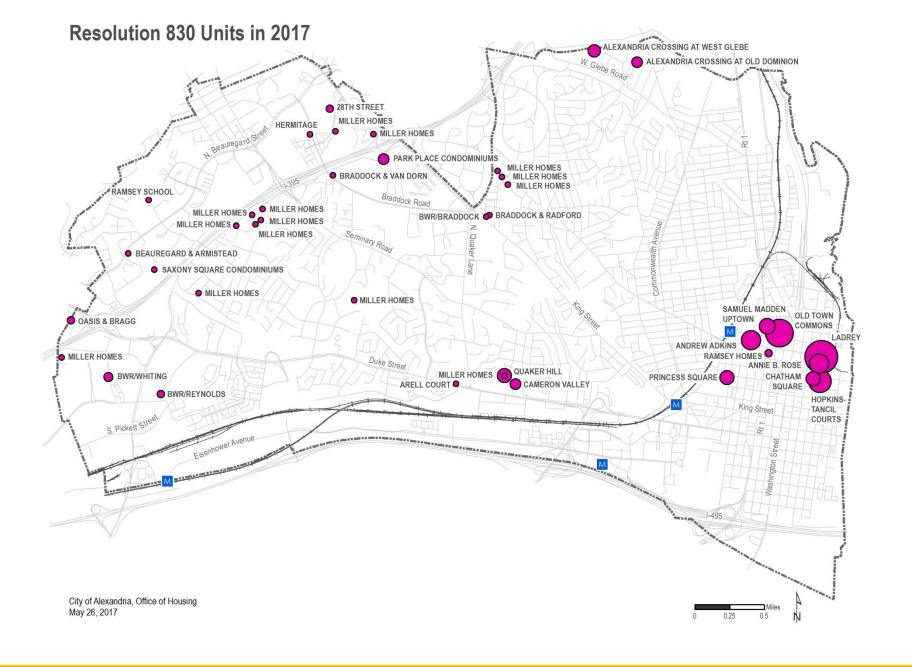
HUD Office of Public and Indian Housing January 2018: https://www.hud.gov/RAD

Resolution 830

Existing Policy

See Handout





Inventory – Then and Now

See Handout

DISCUSSION

Next Steps

Meeting Schedule

- ➤ Module 1: January 10 Current Context of Public Housing, Existing Resolution 830 Policy
- ➤ Module 2: January 31 Funding and Financing Replacement Housing
- ➤ Module 3: February 21 Expansion of Resolution 830
- ➤ Module 4: March 14 Recommendations

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